



# Grand Traverse Pavilions

A COMMUNITY CARING FOR GENERATIONS

Traverse City, Michigan near Grand Traverse Commons

Where we are going ...

# Where are we going ... PACE

## *Program for All-Inclusive Care for the Elderly?*

- ▶ The PACE program is a unique capitated managed care benefit for frail elderly by a not-for-profit or public entity.
- ▶ Features a comprehensive medical and social service delivery system using an interdisciplinary team (IDT) approach for
  - ▶ Adult day care
  - ▶ Supplemented by in-home and referral service in accordance with participants' needs

# Where are we going ... PACE

## *Program for All-Inclusive Care for the Elderly*

### *Philosophy & Benefits*

The PACE model was designed to provide to frail elderly:

- ▶ To live and stay in familiar surroundings
- ▶ To maintain autonomy
- ▶ To maintain a maximum level of physical, social, and cognitive function



# Where are we going ... PACE

- ▶ Who is PACE for?
  - ▶ People over 55
  - ▶ Certified by State to need nursing home care
  - ▶ At time of enrollment able to live safely in community
  - ▶ Live in a designated PACE service area
  - ▶ Dual eligible Medicare/Medicaid



Care Resources, Grand Rapids



# Where are we going ... PACE

- ▶ The Four C's of PACE
  - ▶ Community-Based
  - ▶ Comprehensive
  - ▶ Capitated
  - ▶ Coordinated



# Where are we going ... PACE

## The PACE Model: Community-Based

- ▶ 9 out of 10 PACE participant live in the community
- ▶ Program delivers services in participant's home
- ▶ Provides transportation to need services and activities
- ▶ Center located in and part of community



PACE Center, Grand Rapids

# Where are we going ... PACE

## The PACE Model: Comprehensive Service Package

- ▶ Integrates preventive, acute & long-term care models
- ▶ All Medicare/Medicaid services plus community long term care service
- ▶ No benefit limitations, co-payments or deductibles
- ▶ Program takes care of all care related paperwork





# Where are we going ... PACE

## ▶ Here are the services that a PACE Center will provide....

- ▶ Adult day care including therapies, meals, social work, recreation
- ▶ Medical care provided by a PACE physician
- ▶ Home health and personal care
- ▶ All necessary prescription drugs
- ▶ Transportation to and from the PACE Center
- ▶ Network of medical professionals
- ▶ Hospital and nursing home care
- ▶ No paperwork beyond enrollment
- ▶ For the rest of their life



PACE Center in Muskegon, MI

Helping local seniors to live safely at home.



# Where are we going ... PACE

## The PACE Model: Capitated, Pooled Financing

- ▶ Medicare capitation rate adjusted for the frailty of the PACE enrollees.
- ▶ Integration of Medicare, Medicaid, private pay, and Part D payments.
- ▶ PACE Program assumes all financial risk.



# Where are we going ... PACE

## The PACE Model: Coordinated Care

- ▶ Interdisciplinary Team
- ▶ Team managed care vs. individual case manager
- ▶ Focus on prevention, wellness, and quality of life



# Where are we going ... PACE

- ▶ Health Care is given by an Interdisciplinary Team (IDT):
  - ▶ Primary Care Physician
  - ▶ Social Work
  - ▶ Nursing
  - ▶ Personal Care
  - ▶ Home Care
  - ▶ Pharmacy
  - ▶ Transportation
  - ▶ Recreational Therapy
  - ▶ Occupational Therapy
  - ▶ Physical Therapy
  - ▶ Nutrition





# Where are we going ... PACE

## *Key Features*

- ▶ Interdisciplinary Team authorizes all medical service
- ▶ Serves a nursing home eligible population
  - ▶ Higher fragility than average Medicare beneficiary
- ▶ Established program with proven record of success
- ▶ 40 year history of good care, high satisfaction, and low disenrollment rates.



Interdisciplinary Team, CareResources, Grand Rapids

# History of PACE Programs ...

Year	Landmark Event
1973	On Lok opens one of first of the nation's adult day care in San Francisco.
1986	Federal legislation extends On Lok's new financing system and allows 10 additional organizations to replicate service and delivery to other parts of county.
1990	First PACE programs receive Medicare and Medicaid waivers to operate program.
1997	The Balanced Budget Act of 1997 establishes PACE model as a permanently recognized provider type both under Medicare and Medicaid programs.
1999	Interim Regulation published in November. 30 PACE programs are operational in 19 states.
2009	72 PACE programs are operational in 30 states.
2014	103 PACE programs are operational in 31 states as of January 2014.

# Current Michigan PACE Programs ...

City/Region/ County	PACE Center & Date Opened	Number of Participants
Detroit - NW	Henry Ford Health – Center for Sr. Independence (May 1995)	300+
Detroit - Rivertown	Henry Ford Health/Presbyterian Homes – Center for Sr. Independence (2013)	Start up
Battle Creek	CentraCare (April 2009)	125+
Kalamazoo	CentraCare (2013)	Start up
Grand Rapids	Care Resources (Oct 2006)	200+
Muskegon	LifeCircles (Feb 2009)	200+
St. Joseph	PACE of SW Michigan (Sept 2012)	25
Ypsilanti	Huron Valley (Jan 2014)	Start up

Sources: PACE in States, NPA web, 9/2013;  
MI Legislature, Services for Seniors Guide, 11/2013



# Additional Michigan PACE Projects

- ▶ Genesee County/Flint – Letter of Intent (LOI) approved
- ▶ Saginaw – LOI submitted
- ▶ Feasibility Studies in Lansing, Jackson
- ▶ Traverse City – LOI approved April 2014.



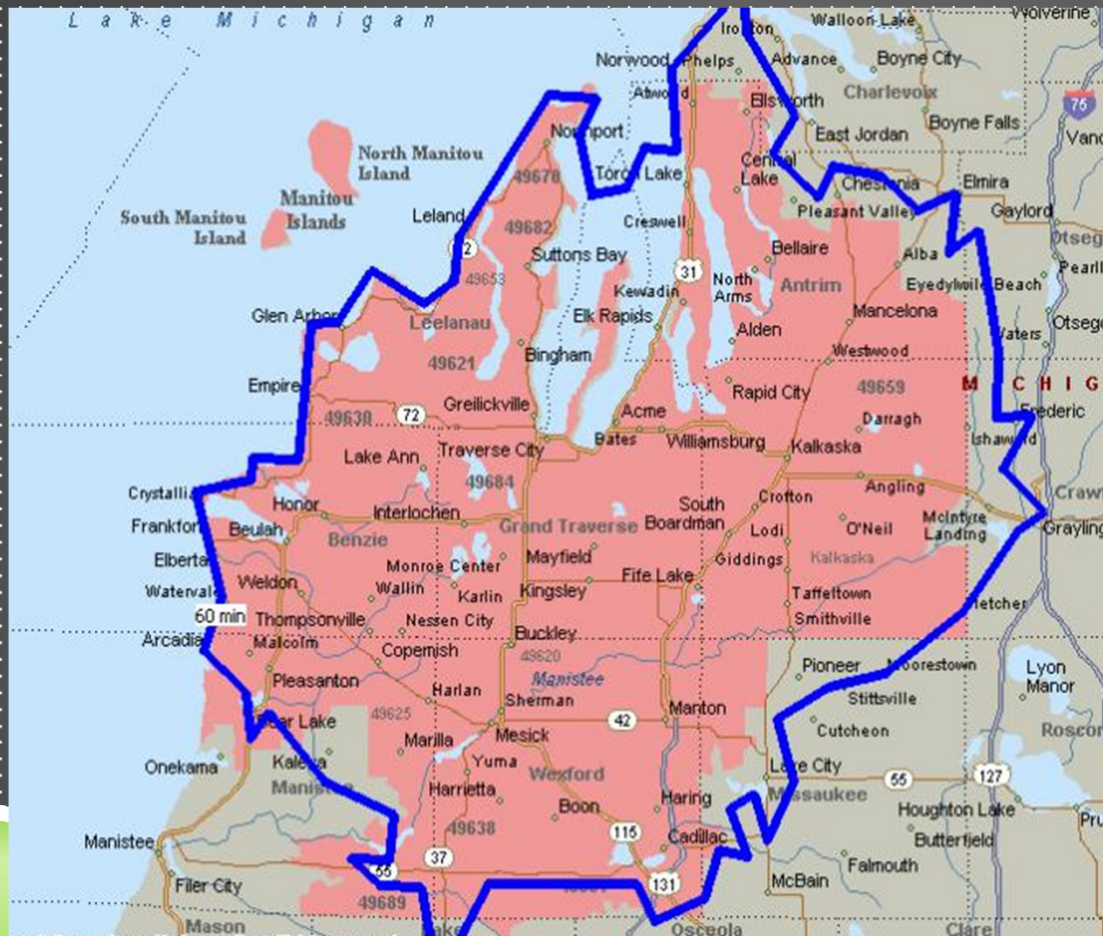
# Where are we going ... PACE

## Grand Traverse Pavilions PACE Service Area Market Analysis:

- ▶ Service Area : Benzie, Grand Traverse, Leelanau, and parts of Antrim, Kalkaska, Manistee, Wexford Counties
- ▶ Number of people eligible for PACE (based on 300% of SSI)
  - ▶ Conservative estimate = 1,041 PACE eligibles
  - ▶ Aggressive estimate = 2,241 PACE eligibles



# Where are we going ... PACE



Map represents the 41 zip codes that are roughly within the 60 mile drive time (blue line) from downtown Traverse City. Area covers 2,852 sq. miles which is expansive when compared to other PACE programs.



# PACE: Program Assumptions

Number	Number of:
140	Projected participants in our PACE program
85	Projected daily average census at the PACE Center
3	Participant average days per week attendance at Center
4	Starting number of participants at the opening of program
3.5	Program enrollment average increase per month until capacity in year 5.
78	Number of participants to break even in month 20



# Where are we going ... PACE

- ▶ Economic Impact to our region
  - ▶ \$ 3 million one-time investment
    - ▶ \$750,000 renovation, \$2.2 million start-up
  - ▶ Generates \$11.3 million per year at target census level
  - ▶ 50 + full time employees
  - ▶ Over 100 provider-partner contracts

vs.

Adding 140 bed nursing home at \$12-\$15 million at 3 times the investment and have higher on-going operational costs.



# Where are we going ... PACE

## Why PACE?

### ▶ For Consumers

- ▶ Comprehensive, preferred method of care
- ▶ Stay in community as long as possible
- ▶ One-stop “shopping”, no paperwork for reimbursement

### ▶ For Providers

- ▶ Freedom from traditional FFS restrictions
- ▶ Focus on the entire range of needs of individual

### ▶ For Payers

- ▶ Cost savings, predictable expenditures, and comprehensive service





# Where are we going ... PACE

## Why at the Grand Traverse Pavilions?

- ▶ Serves an underserved population in our area
- ▶ The Grand Traverse Pavilions brings the necessary expertise to the project
- ▶ The PACE Center and the serving of frail elderly fits squarely with our mission



# Where are we going ... PACE

## Timeline

- ▶ 2013
  - ▶ Educate, Letter of Intent, partnerships/stakeholders, PACE Center architectural design
- ▶ 2014
  - ▶ Raise funds, start formal application process
- ▶ 2015
  - ▶ Operational development & PACE Center building construction
- ▶ 2016
  - ▶ Open for care



# Where are we going ... PACE

More information at:

1000 Pavilions Circle, Traverse City, 49684

[www.gtpavilions.org](http://www.gtpavilions.org)

231.932.3000

